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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/630,530	07/30/2003	Daniel R. Morris	037925.0003	9257
7590 Thomas F. Bergert Williams Mullen Suite 700 8270 Greensboro Drive McLean, VA 22102		07/22/2008	EXAMINER MEYERS, MATTHEW S	
			ART UNIT 3689	PAPER NUMBER
			MAIL DATE 07/22/2008	DELIVERY MODE PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	Application No.	Applicant(s)	
	10/630,530	MORRIS, DANIEL R.	
	Examiner	Art Unit	
	Matthew S. Meyers	3629	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 01 November 2007.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-25 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-25 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

### DETAILED ACTION

1. This action is in response to applicant's communication on 11/01/2007, wherein claims 1-25 are currently pending.

### *Priority*

2. Applicant's claim for the benefit of a prior-filed application under 35 U.S.C. 119(e) or under 35 U.S.C. 120, 121, or 365(c) is acknowledged.

### *Information Disclosure Statement*

3. The information disclosure statement (IDS) submitted is being considered by the examiner.

### *Claim Rejections - 35 USC § 103*

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. **Claims 1-25** are rejected under 35 U.S.C. 103(a) as being unpatentable over *For mortgages--MERS emerges*, Banker's Research, February 1997 (Hereinafter referred to as MERS) in view of *MERS aids electronic mortgage market*, Mortgage

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Banking, January 1997 (Hereinafter referred to as MERS II), and further in view of  
Feinberg et al. (Pub. No.: US 2002/0107703) (Hereinafter referred to as Feinberg).

3. With respect to **Claim 1:**

MERS discloses a computer-based method for managing lien releases (MERS, Page 1, "MERS mission in life is to eliminate all but the first registration and the release. All intermediate changes of ownership or servicing will be electronic, registered with MERS, and none will have to be filed unless the buyer or transferee is not a member of MERS."), comprising the steps of:

providing a lien release tracking component for tracking one or more liens where a note underlying the one or more liens has been satisfied but the one or more liens have not been released (MERS, Page 1, "MERS will authorize its members to act as its agent for filing of title and mortgage deeds. Then participating mortgage lenders will make mortgages in the name of MERS, rather than their own names. With the registration in MERS' name, transfers of servicing or ownership to other MERS members can be made by filing electronically with MERS.");

providing a lien holder interface in communication with the lien release tracking component (MERS, Page 1, "MERS mission in life is to eliminate all but the first registration and the release. All intermediate changes of ownership or servicing will be electronic, registered with MERS, and none will have to be filed unless the buyer or transferee is not a member of MERS.");

MERS discloses the above limitation, but does not explicitly disclose receiving, by the lien holder interface from the lien release tracking component, a notice associated with at least one lien, said notice having lien transaction information and note identification information associated with the at least one lien. However MERS II teaches wherein "the firm will start generating an 18digit mortgage identification number (MIN) for every origination. A MIN will stay with a loan throughout its life-even as ownership of the loan and its servicing changes hands." (MERS II, Page 1).

MERS and MERS II disclose all the above limitations. However, Neither MERS nor MERS II explicitly disclose generating a document associated with said notice. However, Feinberg discloses generating a document associated with said notice (Feinberg, [0017], "The document is updated with a recording number and a recording date. The liable party is served notice of the construction lien and the lien holder is notified of a perfected construction lien.").

It would have been obvious to one of ordinary skill in the art at the time of the invention to have combined the teachings of MERS and MERS II with Feinberg. All three references relate to lien tracking and their management. Both MERS and MERS II teach about a system which generates an 18digit mortgage identification number (MIN) for every origination. This MIN will stay with a loan throughout its life-even as ownership of the loan and its servicing changes hands. (MERS II, Page 1). The reason for this 18digit mortgage identification number is to prevent cases where the mortgages have been paid off but in which

no one files to release the lien (MERS, Page 2). Additionally, Feinberg teaches a method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset."

(Feinberg [abs]). It would have been obvious at the time of the invention to have combined the MERS system with Feinberg in order to facilitate the management of these liens in order to avoid the pitfalls that often occur when the underlying note is bought, sold, transferred, securitized and so forth in accordance with market custom.

4. With respect to **Claim 2:**

MERS discloses wherein, upon said notice indicating that a note underlying said lien has a paid status but the lien has an unreleased status, said document generated is a release instrument (MERS, Page 1, "One additional benefit will be important to present owners and new borrowers. There are today many properties on which the mortgages have been paid off but in which no one will file to release the lien. A common case is when the mortgage was made by a savings & loan that was taken over by the Resolution Trust Company. The original lender no longer exists, and the RTC often won't file the paper, contending it has no authority to do so. With MERS mortgages. MERS will be able to file the release.").

5. With respect to **Claim 3:**

MERS discloses wherein said notice is a demand letter issued from a settlement agent having access to said system (MERS, Page 1, "MERS will authorize its members

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to act as its agent for filing of title and mortgage deeds. Then participating mortgage lenders will make mortgages in the name of MERS, rather than their own names. With the registration in MERS' name, transfers of servicing or ownership to other MERS members can be made by filing electronically with MERS.”).

6. With respect to **Claim 4:**

Feinberg discloses wherein said notice is an electronic communication (Feinberg [0012], “The data is transmitted using email communication protocols.”).

7. With respect to **Claim 5:**

Feinberg discloses wherein said notice is a payoff disbursement package (Feinberg [0016], “Once the lien holder has been paid, a release or satisfaction is filed to indicate the debt has been paid.”).

8. With respect to **Claim 6:**

Feinberg discloses wherein said document generated includes notice of receipt of said payoff package (Feinberg [0016], “Viewed in conjunction with FIG. 1, in the preferred embodiment the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services.”).

9. With respect to **Claim 7:**

Feinberg discloses wherein said notice is a payoff order (Feinberg [0016], “Viewed in conjunction with FIG. 1, in the preferred embodiment the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services.”).

10. With respect to **Claim 8**:

Feinberg discloses wherein said generated document is a payoff calculation statement (Feinberg [0015], "Reimbursements from the insurance company are used to satisfy the debt of the patient to the medical service provider.").

11. With respect to **Claim 9**:

Feinberg discloses the step of internally verifying a payoff (Feinberg Fig 3, Step 1, "Receive Notice of Client Payoff").

12. With respect to **Claim 10**:

Feinberg discloses wherein said notice is a closing communication (Feinberg Fig 3, Step 5, "Notify Patient That Lien has Been Released").

13. With respect to **Claim 11**:

Feinberg discloses wherein said document generated is one of a shortage report or a payment in full confirmation (Feinberg Fig 3, Step 5, "Notify Patient That Lien has Been Released").

14. With respect to **Claim 12**:

Feinberg discloses the step of establishing alert notices for at least one of a note cancellation, receipt of a payoff transmittal letter, receipt of a payoff check or wire (Feinberg [0004], "It is necessary to serve notice on the patient and all responsible insurance companies or parties that a lien on the expected payment has been recorded.")

15. With respect to **Claim 13**:



MERS discloses a computer-assisted system for responding to a notice that a lien is due for release, comprising:

a lien management component for receiving and storing lien identification information, including liens identifiable by lien holder (MERS, Page 2, "Because information on MERS-registered mortgages will be available in one place, and the transfer costs will be less, they should fetch higher prices when sold.");

lien release tracking component in communication with the lien management component (MERS II, Page 5, "He notes that all parties will more easily be able to track loans to ensure that contractual obligations are being met.");

an interface for receiving, by the lien management component from the lien release tracking component; a notice associated with at least one lien held by lien holder, said notice including status information associated with said at least one lien pertaining to whether the lien is due or overdue for release by the lien holder, said status information including lien transaction information and information on a note underlying the lien. (MERS II, Page 5, "He notes that all parties will more easily be able to track loans to ensure that contractual obligations are being met."); and

an interface for issuing, by the lien management component, a response to said notice (MERS, Page 1, "MERS will authorize its members to act as its agent for filing of title and mortgage deeds. Then participating mortgage lenders will make mortgages in the name of MERS, rather than their own names. With

the registration in MERS' name, transfers of servicing or ownership to other MERS members can be made by filing electronically with MERS.”).

16. With respect to **Claim 14**:

MERS discloses means for at least one of confirming or disputing said status of said at least one lien (Feinberg [abs], “A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.” and MERS II, Page 5, “He notes that all parties will more easily be able to track loans to ensure that contractual obligations are being met.”).

17. With respect to **Claim 15**:

MERS discloses wherein, upon said notice indicating that a note underlying said lien has a paid status but the lien has an unreleased status, said document generated is a release instrument (MERS, Page 1, “One additional benefit will be important to present owners and new borrowers. There are today many properties on which the mortgages have been paid off but in which no one will file to release the lien. A common case is when the mortgage was made by a savings & loan that was taken over by the Resolution Trust Company. The original lender no longer exists, and the RTC often won't file the paper, contending it has no authority to do so. With MERS mortgages. MERS will be able to file the release.”).

18. With respect to **Claim 16**:

Feinberg discloses wherein said notice is a demand letter issued from a settlement agent having access to said system (Feinberg [0012], “The guidelines set

forth the content and format of the information required to properly file a lien in each given jurisdiction. The guidelines are compiled from statutes, regulations, and local practice for each locale.”).

19. With respect to **Claim 17:**

Feinberg discloses wherein said notice is an electronic communication (Feinberg [0012], “The data is transmitted using email communication protocols.”).

20. With respect to **Claim 18:**

Feinberg discloses wherein said notice is a payoff disbursement package (Feinberg [0016], “Once the lien holder has been paid, a release or satisfaction is filed to indicate the debt has been paid.”).

21. With respect to **Claim 19:**

Feinberg discloses wherein said document generated includes notice of receipt of said payoff package (Feinberg [0016], “Viewed in conjunction with FIG. 1, in the preferred embodiment the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services.”).

22. With respect to **Claim 20:**

Feinberg discloses wherein said generated document is a payoff calculation statement (Feinberg [0015], “Reimbursements from the insurance company are used to satisfy the debt of the patient to the medical service provider.”).

23. With respect to **Claim 21:**

Feinberg discloses the step of internally verifying a payoff (Feinberg Fig 3, Step 1, "Receive Notice of Client Payoff").

24. With respect to **Claim 22:**

Feinberg discloses wherein said notice is a closing communication (Feinberg Fig 3, Step 5, "Notify Patient That Lien has Been Released").

25. With respect to **Claim 23:**

Feinberg discloses wherein said notice is a payoff order (Feinberg [0016], "Viewed in conjunction with FIG. 1, in the preferred embodiment the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services.").

26. With respect to **Claim 24:**

Feinberg discloses wherein said document generated is one of a shortage report or a payment in full confirmation (Feinberg Fig 3, Step 5, "Notify Patient That Lien has Been Released").

27. With respect to **Claim 25:**

MERS discloses a computer-based method for generating a lien release (MERS II, Page 5, "He notes that all parties will more easily be able to track loans to ensure that contractual obligations are being met."), comprising the steps of:

receiving by a lien management interface, a payoff order for a loan from a computer-based release tracking component, said tracking component issuing the payoff order for the loan based on a calculated trigger date indicative of when the lien is required to be released, said loan being identified by at least one of

loan identification number, obligor or property description (MERS, Page 1, "One additional benefit will be important to present owners and new borrowers. There are today many properties on which the mortgages have been paid off but in which no one will file to release the lien. A common case is when the mortgage was made by a savings & loan that was taken over by the Resolution Trust Company. The original lender no longer exists, and the RTC often won't file the paper, contending it has no authority to do so. With MERS mortgages. MERS will be able to file the release.");

validating, by the lien management interface, said loan information and verifying title information on a lien associated with said loan (MERS II, Page 5, "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.");

presenting payoff information to the lien management interface (Feinberg Fig 3, Step 5, "Notify Patient That Lien Has Been Released.");

receiving, by the lien management interface, a payoff amount and payoff disbursement package (MERS, Page 1, "MERS will authorize its members to act as its agent for filing of title and mortgage deeds. Then participating mortgage lenders will make mortgages in the name of MERS, rather than their own names. With the registration in MERS' name, transfers of servicing or ownership to other MERS members can be made by filing electronically with MERS.");

reporting receipt of the payoff disbursement package to the lien management interface (MERS II, Page 5, "He notes that all parties will more easily be able to track loans to ensure that contractual obligations are being met.");

verifying, by the lien management interface, the payoff amount (MERS II, Page 5, "He notes that all parties will more easily be able to track loans to ensure that contractual obligations are being met."); and

generating, by the lien management interface, a lien release (MERS, Page 1, "One additional benefit will be important to present owners and new borrowers. There are today many properties on which the mortgages have been paid off but in which no one will file to release the lien. A common case is when the mortgage was made by a savings & loan that was taken over by the Resolution Trust Company. The original lender no longer exists, and the RTC often won't file the paper, contending it has no authority to do so. With MERS mortgages. MERS will be able to file the release.")

### ***Response to Arguments***

28. Applicant's arguments with respect to claims 1-25 have been considered but are moot in view of the new ground(s) of rejection.

**Conclusion**

29. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

a. 1) MortgageServ, Total Mortgage Servicing from fs, MERS Spring 2001

User's Conference.

b. 2) <<http://www.mersinc.org/>> Available via the Wayback Machine

[http://web.archive.org/web/\\*/http://www.mersinc.org/](http://web.archive.org/web/*/http://www.mersinc.org/)



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Note some duplicates are not shown. [See all](#)

\* denotes when site was updated.

Material typically becomes available here 6 months after collection. [See FAQ](#).

Search Results for Jan 01, 1996						
1996	1997	1998	1999	2000	2001	2002
0 pages	0 pages	3 pages	4 pages	6 pages	8 pages	7 pages
		Jan 18, 1998 *	Feb 08, 1999	Mar 01, 2000 *	Feb 06, 2001	Jan 24, 2002
		Dec 02, 1998 *	Feb 24, 1999	Apr 08, 2000	Feb 15, 2001	May 26, 2002
		Dec 12, 1998	Apr 22, 1999 *	May 20, 2000	Mar 02, 2001	May 27, 2002
			Apr 29, 1999	Jul 07, 2000	Mar 08, 2001	Jul 18, 2002
				Oct 17, 2000 *	Mar 09, 2001	Nov 21, 2002 *
				Dec 05, 2000 *	Apr 02, 2001	Nov 25, 2002
					Apr 10, 2001 *	Nov 29, 2002
					Apr 20, 2001	

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30. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.



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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Matthew S. Meyers whose telephone number is (571) 272-7943. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (571) 272-6812. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/M. S. M./  
Examiner, Art Unit 3629

/John G. Weiss/  
Supervisory Patent Examiner, Art Unit 3629